

Amazon.com Inc. (Amazon)

TICKER
 NAS:AMZN

MARKET CAPITALISATION
 US\$1562.79 billion

HEADQUARTERS
 United States

DISCLOSURES

 UK Modern Slavery Act: [Yes](#)

 California Transparency in Supply Chains Act: [Yes](#)

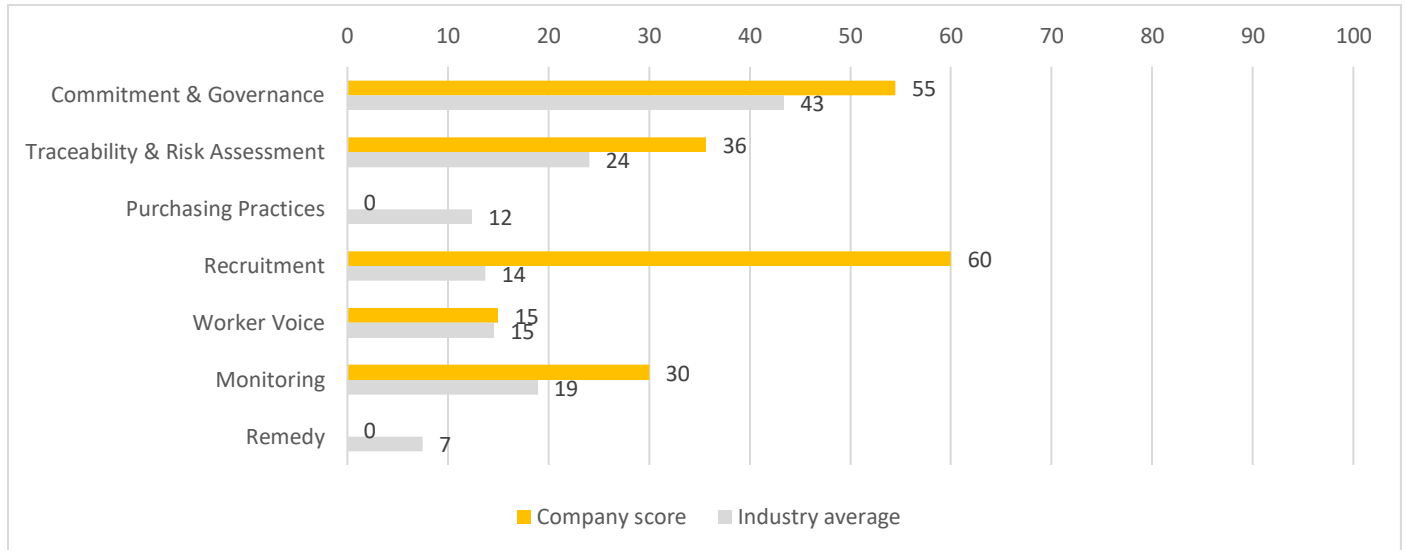
 Australia Modern Slavery Act: [Yes](#)
OVERALL RANKING

17 out of 65

[2021 Rank](#): 18 out of 37

OVERALL SCORE

32 out of 100

THEME-LEVEL SCORES

KEY DATA POINTS
FIRST-TIER SUPPLIER LIST

Yes (partial)

RISK ASSESSMENT

Yes

DATA ON PURCHASING PRACTICES
 No

ENGAGED WITH KNOWTHECHAIN²

Yes

NO-FEE POLICY

Yes (Employer Pays Principle)

REMEDY FOR SUPPLY CHAIN WORKERS
 No

HIGH-RISK RAW MATERIALS¹
 Cotton, leather

SUMMARY

Amazon.com Inc. (Amazon), the biggest clothing retailer in the US,³ ranks 17th out of 65 companies. Compared to 2021, the company improved its rank by one place. This is because the company began disclosing addresses, in addition to names, in its first-tier supplier list, took steps to trace labour agencies used by its suppliers, partnered with IOM CREST on research into risks to migrant workers in Japan, and began disclosing partial data on the use and operation of grievance mechanisms in its supply chains. The company's score is based on its stronger performance on the themes of Commitment & Governance and Recruitment. Notably, Amazon is among the highest-scoring companies on the theme of Recruitment.

KnowTheChain identified one public allegation of forced labour in the company's supply chains, related to alleged Uyghur forced labour. In response, the company stated that it "actively collaborates with industry partners, subject matter experts, governments and other relevant stakeholders" to enhance its due diligence. However, the company does not disclose the concrete steps it has taken to address the risks of alleged Uyghur forced labour across raw materials and supply chain tiers. The company has an opportunity to improve its performance and disclosure on the themes of Purchasing Practices, Worker Voice, and Remedy.

LEADING PRACTICES

Recruitment: Amazon discloses that it partnered with the IOM CREST program on recruitment practices in Japan, as risks were identified to migrant workers through the Technical Intern Training Program, including the charging of recruitment fees. It states that in partnership with CREST it conducted research on the legal frameworks governing migrant workers in Japan, and the challenges faced by migrant workers. It states that it is using this research to develop a region-specific education program for its suppliers on migrant worker vulnerabilities in Japan and states that this will support "suppliers in identifying, assessing, and mitigating specific risks to migrant workers, including worker-paid recruitment fees."

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to disclose concrete steps it is taking to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment, and disclose quantitative data evidencing the implementation of responsible purchasing practices. The company is encouraged to disclose concrete steps taken as a result of its engagement with Better Buying. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating [responsible buying practices in its contracts](#) with suppliers, to ensure that the responsibility for respecting human rights is shared.

Worker Voice: To support the improvement in working conditions, the company is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers. The company is also encouraged to disclose the percentage of suppliers' workers covered by collective bargaining agreements. To guarantee protections for supply chain workers on freedom of association and collective bargaining, the company may consider entering into a global framework agreement or enforceable supply chain labour rights agreements with trade unions or worker organisations.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To

demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers, including with respect to specific allegations in its supply chains.

¹ For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2023 apparel & footwear benchmark [findings report](#).

² Research conducted through June 2023 or through September 2023, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

³ Barron's (23 March 2022), "[Amazon Is the Biggest Clothing Retailer in the U.S. It's Way Ahead of No. 2](#)". Accessed 4 December 2023.